

House Study Bill 165 - Introduced

HOUSE FILE _____

BY (PROPOSED COMMITTEE ON
VETERANS AFFAIRS BILL BY
CHAIRPERSON STANERSON)

A BILL FOR

- 1 An Act concerning the distribution of gambling game receipts
- 2 for charitable purposes.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 99F.6, subsection 4, paragraph a,
2 subparagraph (2), Code 2015, is amended to read as follows:

3 (2) A qualified sponsoring organization licensed to operate
4 gambling games under this chapter shall distribute the receipts
5 of all gambling games, less reasonable expenses, charges,
6 taxes, fees, and deductions allowed under this chapter, as
7 winnings to players or participants or shall distribute the
8 receipts for educational, civic, public, charitable, patriotic,
9 or religious uses as defined in section 99B.7, subsection 3,
10 paragraph "b". A qualified sponsoring organization shall
11 provide that any organization exempt from federal income taxes
12 under section 501(c)(19) of the Internal Revenue Code as
13 defined in section 422.3, shall be eligible for a distribution
14 of adjusted gross receipts for educational, civic, public,
15 charitable, patriotic, or religious uses as required by this
16 subparagraph. However, a licensee to conduct gambling games
17 under this chapter shall, unless an operating agreement for an
18 excursion gambling boat otherwise provides, distribute at least
19 three percent of the adjusted gross receipts for each license
20 year for educational, civic, public, charitable, patriotic,
21 or religious uses as defined in section 99B.7, subsection 3,
22 paragraph "b". However, if a licensee who is also licensed to
23 conduct pari-mutuel wagering at a horse racetrack has unpaid
24 debt from the pari-mutuel racetrack operations, the first
25 receipts of the gambling games operated within the racetrack
26 enclosure less reasonable operating expenses, taxes, and fees
27 allowed under this chapter shall be first used to pay the
28 annual indebtedness.

29

EXPLANATION

30 The inclusion of this explanation does not constitute agreement with
31 the explanation's substance by the members of the general assembly.

32 This bill requires a qualified sponsoring organization
33 licensed to operate gambling games under Code chapter 99F to
34 provide that any organization exempt from federal income taxes
35 under section 501(c)(19) of the Internal Revenue Code shall

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1 be eligible for a distribution of adjusted gross receipts for
2 educational, civic, public, charitable, patriotic, or religious
3 uses.